City of Sunnyvale
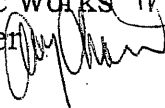## Department of Public Works

To: Mayor and City Council

From: Marvin Rose, Director of Public Works
Through: Amy Chan, Acting City Manager

Date: December 18, 2003

Subject: Work Plan for Implementation of November 11 Franchise
            Agreement Direction from City Council

Attached is the work plan that is being used by staff to implement the direction given by the City Council on November 11, 2003 in response to the franchise extension proposal from Bay Counties Waste Services. The status of various aspects of the implementation is as follows.

- The Performance Review request for proposals was issued on December 5, one week ahead of schedule. Proposals are due on January 9, 2004.

- With the assistance of the City Attorney, an agreement with Constance Hornig, Esq. is in place for legal assistance in the development of the contract amendment language. The content of the amendment will depend, in part, on the findings of the Performance Review.

- Staff may need additional direction from the Council with regard to one aspect of the Council's direction to extend depreciation on trucks. Under the current seven year depreciation schedule Bay Counties is scheduled to replace four trucks during FY 04/05. Anticipating this, the City entered into a grant agreement with the Bay Area Air Quality Management District (BAAQMD) that will provide funding to defray the additional cost of converting the four new trucks to compressed natural gas fuel.

  However, implementing the Council's November 11 guidance regarding truck depreciation will delay the purchase of these new trucks by three years and reduce the City's cost savings from extending truck depreciation. A decision on ordering the new trucks can be delayed for a few months and still keep a purchase in the time frame allowed by the grant if the Council so chooses. The work plan proposes to ask the Council for clarification on this point in February along with the award of contract for the performance review.

Cc: Valerie Armento, City Attorney
       Mark Bowers, Solid Waste Program Manager
       File SW #20.1

Work Plan to Implement Council Action of November 11, 2003

Work Items
Implement 10 Year Depreciation
Performance Review
Contract Amendment

Sequence
Advise Bay Counties Waste Services (BCWS) of need to temporarily postpone orders for replacement of all equipment and vehicles scheduled to be replaced in 04/05. *Truck orders postponed, but remain within time lines of Bay Area Air Quality Management District (BAAQMD) grant pending Council consideration.*

Hire Consultant for Performance Review
    Identify Scope of Work for performance review *Complete*
    Issue Request For Proposals (RFP) to multiple vendors *RFP issued 12/5/03*
    Select consultant
    Report To Council (RTC)
- Approval of contract
- Approval of budget mod to provide funding for review
    Conduct performance review
    Discuss results with BCWS
    Incorporate findings into contract amendment

Contract Amendment
    Hire Legal Advisor for Contract Amendment
        Contract executed with Constance Hornig, Esq.
        Scope of Work
- Advise City on amendment content
- Draft the amendment
- Represent City in negotiations
- Attend Council meeting(s) for adoption
    RTC to Council by end of 2003/04

Key Dates
12/15/03—Outside counsel under contract, begin drafting known
contract amendment issues *Contract executed*

12/15/03—Issue RFP for Performance Audit consultant *Complete*

1/9/04—Receive proposals for Performance Audit

1/28/04—BCWS presents 04/05 Contractor Payment Request

2/3/04— Council consideration of RTC
- Award of contract for Performance Audit
- Budget mod for Performance Audit costs
- BAAQMD grant decision

2/16/04—Performance Audit Begins

3/26/04—Final Performance Audit Report Received

April/May 2004— Audit findings reviewed with BCWS
Audit findings incorporated into contract amendment
Contract language presented to BCWS

6/15/04—Council consideration of RTC
- Approval of contract amendment

7/1/04—New contractor payment goes into effect

Beginning 7/1/04—BCWS implements Performance Audit
recommendations